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Adoption of the report of the Committee on its fifty-sixth session

Draft report

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Addendum

Proposed strategic framework for the period 2018-2019
(*Item 3 (b) (ii)*)

Programme 10
Trade and development

1. At its 18th meeting, on 10 June 2016, the Committee considered programme 10, Trade and development, of the proposed strategic framework for the period 2018-2019 (A/71/6 (Prog. 10)). The Committee also had before it a note by the Secretariat on the proposed strategic framework, contained in conference room paper E/AC.51/2016/CRP.1/Rev.1.

2. The representatives of the Secretary-General introduced the programme and responded to queries raised during the Committee's consideration of the programme.

Discussion

3. Appreciation and support were expressed for the balanced elaboration of the proposals of the Secretary-General for programme 10, Trade and development, and the work of the United Nations Conference on Trade and Development (UNCTAD) and the International Trade Centre (ITC). It was pointed out that the programme reflected the important link between trade and development and the Sustainable Development Goals.

4. Support was expressed for the efforts of UNCTAD to increase capacities of developing countries in international trade, to address trade-related challenges in

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developing countries through the provision of technical assistance, and to ensure that the concerns and interests of developing countries were adequately reflected in the work of the Organization.

5. The view was expressed that the activities planned for the programme were in accordance with the Addis Ababa Action Agenda of the Third International Conference on Financing for Development, the Istanbul and Vienna Programmes of Action and the outcome of the Comprehensive High-level Midterm Review of the Implementation of the Istanbul Programme of Action for Least Developed Countries for the Decade 2011-2020.

6. Some delegations noted the following areas of emphasis for the work of the programme: trade negotiations and the assistance provided to countries by the programme in that regard, World Trade Organization (WTO) accession, protectionism and trade facilitation.

7. The continued implementation of the three pillars of UNCTAD activities was welcomed. Reference was made to the report of the Office of Internal Oversight Services on the evaluation of UNCTAD (E/AC.51/2015/4), which had been considered by the Committee at its previous session, and the view was reiterated that that report was not comprehensive, as it did not cover all three pillars of activities referenced in paragraph 10.2 of the overall orientation.

8. Clarification was sought on the measures to be undertaken by UNCTAD to enhance its "effectiveness" and "transparency", as indicated in paragraph 10.4 of the overall orientation. It was also pointed out that the reference to the Doha Ministerial Declaration of the Fourth Ministerial Conference of WTO in paragraph 10.11 should be updated and replaced with a reference to the Tenth Ministerial Conference, held in Nairobi in December 2015.

9. A delegation noted that ITC was moving in the right direction and expressed support for the work of the Centre, particularly in connection with the least developed countries and countries with economies in transition. It was noted, however, that there was a need to increase assistance to countries in Central Asia and that attention should be paid to a more efficient monitoring and evaluation of the activities of the Centre.

10. It was pointed out that the problem of debt was highlighted in expected accomplishment (b) under subprogramme 1, Globalization, interdependence and development. Given the importance of debt, it was questioned why a separate subprogramme component, or a subprogramme itself, was not devoted to the subject.

11. A delegation noted that the analytical products of UNCTAD could be disseminated through the Virtual Institute referenced under subprogramme 1, Globalization, interdependence and development.

12. Clarification was sought as to whether it would be difficult to measure the impact of the programme, in particular subprogramme 3, International trade, when co-mingling different groups of countries, such as the least developed countries, African countries, countries with economies in transition and other groups of countries in need of support, given that each had its own development needs. In that regard, it was suggested that each category of countries have its separate expected accomplishments and indicators of achievement.

13. With respect to the reference to "middle-income countries" under subprogramme 2, Investment and enterprise, the view was expressed that the subprogramme covered countries with medium income and that that group of countries had specific development tasks. It was requested that reference to middle-income countries be made in the overall orientation.

14. Emphasis was placed on the importance of referencing all forms of protectionism and barriers to trade, especially in the agricultural sector, under subprogramme 3, International trade. It was also pointed out that mention should be made of the convergence of bilateral and multilateral agreements. Clarification was sought on the reference to the notion of "excessive price volatility" in paragraph 10.19 of the strategy under Component 2, Commodities, of the subprogramme. The view was expressed that excessive price volatility had previously been used as an argument for barriers to trade, despite being inherent to the functioning of markets and being linked to transparency. Clarification was also sought on the reference to "international trade standards" in paragraph 10.19 (e) (iv) of the strategy.

15. It was pointed out that there was a strong link between trade and economic development, particularly in the agricultural sector, and that continued support from UNCTAD and ITC and other actors, such as the World Customs Organization and the World Bank, was central in supporting trade facilitation and the development of both soft and physical infrastructure in African developing countries. In that regard, appreciation was expressed for the work of UNCTAD and ITC in the area of customs modernization, and it was also noted that physical infrastructure development would be addressed in the context of African regional economic communities, including through the involvement of the African Development Bank and regional banks.

16. With regard to African countries specifically, a delegation noted that the work of UNCTAD and ITC should be extended to supporting countries in need, especially those emerging from conflict, by building capacity to negotiate trade agreements and to developing local productive capacity. It was also noted that other trade capacities, such as technical matters concerning trade, sanitary and phytosanitary measures, should be emphasized in the work of the programme.

17. Some delegations suggested that greater emphasis should be placed on the areas of investment and transfer of technology. The view was expressed that investment and technology transfer played an important role in inclusive development, as well as in environmental protection and climate change matters. In that connection, the question of whether budgetary resources had already been allocated for that purpose or whether additional financing would be required was raised. A delegation pointed out that references to the transfer of technology in paragraph 10.20 (g) of the strategy for subprogramme 4, Technology and logistics, should be qualified with the phrase "on mutually agreed terms and conditions".

18. With regard to subprogramme 5, Africa, least developed countries and special programmes, the view was expressed that the expected accomplishments and indicators of achievement needed to be more targeted for the individual categories of countries identified.

19. Regarding subprogramme 6, Operational aspects of trade promotion and export development, appreciation was expressed for the work of ITC in strengthening the competitiveness of enterprises in developing countries. It was added that the agriculture sector should continue to be the focus of attention within this strengthening effort.

Conclusions and recommendations

20. **The Committee recommended that the General Assembly request the Secretary-General to ensure that, in order to achieve its objective of assisting Member States in attaining the Sustainable Development Goals, the programme is realigned with the 2030 Agenda for Sustainable Development and the Addis Ababa Action Agenda, in line with established procedures.**

21. **The Committee recommended that the General Assembly approve the programme narrative of programme 10, Trade and development, of the proposed strategic framework for the period 2018-2019, subject to the following modifications:**

Overall orientation

Paragraph 10.1

At the end of the paragraph, add:

"The specific development needs of middle-income countries should also be addressed at both research and technical assistance levels in accordance with given mandates."

Paragraph 10.11

Replace the last sentence with the following:

"UNCTAD will also promote further implementation of the World Trade Organization (WTO) ministerial declarations, in particular the ministerial declaration of the Tenth Ministerial Conference of WTO, held in Nairobi in December 2015."

Subprogramme 2
Investment and enterprise

Strategy

Paragraph 10.16

In the first sentence, after "through investment and enterprise development", add "in line with the Addis Ababa Action Agenda of the Third International Conference on Financing for Development".

At the end of subparagraph (d), add "in cooperation with ITC".

Subprogramme 3
International trade

Component 1
International trade in goods and services

Strategy

Paragraph 10.17

In the last sentence, after "through trade and development" add ", in line with the Addis Ababa Action Agenda of the Third International Conference on Financing for Development".

Paragraph 10.18

In subparagraph (c), after "multilateral trade agreements", add "in a mutually supportive way".

Component 2
Commodities

Strategy

Paragraph 10.19

Replace subparagraph (e) (iv) with the following:

> **"Comply with international trade standards, particularly non-tariff measures such as food standards and sanitary and phytosanitary measures;"**

Subprogramme 5
Africa, least developed countries and special programmes

Strategy

Paragraph 10.21

In the fourth sentence, after "small island developing States, respectively," add "as well as in the 2030 Agenda for Sustainable Development".